

**REMARKS/ARGUMENTS**

Claims 1-4, 9-11, 14, 16-21, 28-29, 31-37, and 42 are pending upon entry of this amendment. Claims 1, 9-11, 16-21, and 34 have been amended. Claims 5-8, 12-13, 15, 22-27, 30, and 38-41 have been canceled. New claim 42 has been added. No new matter has been added by the claim amendments or the new claim.

Claims 1-6, 9-11, 13, 14, 16, 18-20, 23-30, 33-37, and 39-41 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Lai et al., U.S. Patent No. 6,593,860, in view of Bruno et al., U.S. Patent No. 6,262,978.

Claims 7, 8, 21, and 22 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Lai and Bruno in view of Monteiro et al. (6,119,163).

Claim 15 is rejected under 35 U.S.C. § 103(a) as being unpatentable over Lai and Bruno in view of Zhu (5,870,146).

Claim 17 is rejected under 35 U.S.C. § 103(a) as being unpatentable over Lai and Bruno in view of Floyd et al. (7,003,584).

Claims 31 and 32 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Lai and Bruno in view of what was "well known" in the art at the time of applicant's invention.

***Claim Rejections - 35 U.S.C. § 103***

Claim 1 recites "a media channel processing module adapted to calculate a quality measure independent of feedback from the destination terminal associated with the second stream of information" and "a rate control module coupled to the media channel processing module adapted to vary an output bit rate in an existing session associated with the second stream of information," among other elements. Applicants respectfully submit that the cited references do not teach or suggest at least these elements in the manner claimed.

For example, Lai does not teach or suggest the claimed rate control module. In contrast, Lai (see, for instance, FIG. 2 and FIG. 5B), discusses streaming of media content from a cache. Thus, Lai does not teach or suggest a rate control module adapted to vary an output bit rate in an existing session. Moreover, Bruno does not make up for these deficiencies in Lai. In particular, Bruno does not teach or suggest a media channel processing module adapted to

calculate a quality measure independent of feedback from the destination terminal. Thus, failing to include the media channel processing module, Bruno cannot teach or suggest a rate control module coupled to the media channel processing module.

Claims 2-4, 9-11, 14, 16-19, 28, and 31-37, which depend from claim 1, are in condition for allowance, for at least the reasons discussed in relation to claim 1, as well as for the additional elements they recite.

Claim 20 recites "a bit rate control process coupled to the transcoding process, the bit rate control process being adapted to receive a first network status indicator to adjust a state of the second stream of information based upon the first network status indicator independent of feedback for a destination terminal associated with the second stream of information," among other elements. As discussed in relation to claim 1, neither of the cited references, either considered alone or in combination, teach or suggest at least these elements in the manner claimed. For at least these reasons, claim 20 is in condition for allowance.

Claims 21-22, 29, and 42, which depend from claim 20, are in condition for allowance, for at least the reasons discussed in relation to claim 20, as well as for the additional elements they recite.

### **CONCLUSION**

In view of the foregoing, Applicants believe all claims now pending in this Application are in condition for allowance and an action to that end is respectfully requested.

If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at 650-326-2400.

Respectfully submitted,

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